

Subpart 529.4—Contract Clauses**529.401 Domestic contracts.****529.401–70 Purchases at or under the simplified acquisition threshold.**

Insert 552.229–70, Federal, State, and Local Taxes, in purchases and contracts estimated to exceed the micro-purchase threshold, but not the simplified acquisition threshold.

529.401–71 Contracts for supplies and services usable by the DC Government.

Insert 552.229–71, Federal Tax-DC Government, in solicitations and contracts that permit the District of Columbia Government to place orders.

PART 532—CONTRACT FINANCING**Subpart 532.1—Non-Commercial Item Purchase Financing**

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AUTHORITY: 40 U.S.C. 121(c).

SOURCE: 64 FR 37222, July 9, 1999, unless otherwise noted.

Subpart 532.1—Non-Commercial Item Purchase Financing**532.111 Contract clauses for non-commercial purchases.**

(a) *Invoice requirements.* Insert 552.232–70, Invoice Requirements, or something substantially the same, in all solicitations and contracts for supplies, services, construction, architect-engineer services, or the acquisition of leasehold interests in real property that require the submission of invoices for payment. Delete subparagraph (b) of the clause if an Accounting Control Transaction (ACT) number is not required for payment.

(b) *Adjusting payments.* Insert 552.232–71, Adjusting Payments, in all solicitations and contracts for recurring building services expected to exceed the simplified acquisition threshold.

(c) *Final payment.* Insert 552.232–72, Final Payment, in all solicitations and contracts for recurring building services expected to exceed the simplified acquisition threshold.

Subpart 532.2—Commercial Item Purchase Financing**532.206 Solicitation provisions and contract clauses.**

(a) *Discounts for prompt payment.* Include 552.232–8, Discounts for Prompt Payments, in multiple award schedule solicitations and contracts instead of the clause at FAR 52.232–8. In solicitations and contracts for FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers (SINs), use Alternate I.

(b) The contracting officer shall insert the clause at 552.232–81, Payments by Non-Federal Ordering Activities, in solicitations and schedule contracts for Schedule 70 and Consolidated Products

and Services Schedule contracts containing information technology SINS.

(c) The contracting officer shall insert the provision at 552.232-82, Contractor's Remittance (Payment) Address, in all Federal Supply Schedule solicitations and contracts.

(d) The contracting officer shall insert the clause at 552.232-83, Contractor's Billing Responsibilities, in all Multiple Award Schedule solicitations and contracts.

[68 FR 24378, May 7, 2003, as amended at 69 FR 28065, May 18, 2004]

Subpart 532.7—Contract Funding

532.705 Contract clauses.

532.705-1 Clauses for contracting in advance of funds.

Insert 552.232-73, Availability of Funds, in solicitations and contracts for services which are "severable" when both of the following conditions apply:

(a) The contract, or a portion of the contract, will be chargeable to funds of the new fiscal year.

(b) The circumstances described in the prescriptions for FAR 52.232-18 or 52.232-19 do not apply.

Subpart 532.8—Assignment of Claims

532.806 Contract clauses.

Insert the clause at 552.232-23, Assignment of Claims, in solicitations and requirements or indefinite quantity contracts under which more than one agency may place orders.

Subpart 532.9—Prompt Payment

532.902 Definitions.

Full cycle electronic commerce means the use of electronic data interchange (EDI), Internet-based invoice processing, and electronic funds transfer (EFT):

(a) By the Government, to place purchase, delivery, or task orders, receive invoices, and pay invoices.

(b) By the Contractor, to accept and fill orders, submit invoices, and receive payment.

532.905 Invoice payments.

(a) *General and architect-engineer contracts.* Before exercising the authority to modify the date for constructive acceptance or constructive approval of progress payments in the clauses listed in this section, you must prepare a written justification explaining why a longer period is necessary. An official one level above you must approve your justification. Determine the time needed on a case-by-case basis.

(1) In subdivision (a)(6)(i) of the clause at FAR 52.232-25, Prompt Payment, do not specify a constructive acceptance period that exceeds 30 days.

(2) In subdivision (a)(4)(i)(A) of the clause at FAR 52.232-26, Prompt Payment for Fixed-Price Architect-Engineer Contracts, do not specify a constructive acceptance period that exceeds 30 days.

(3) In subdivision (a)(4)(i)(B) of the clause at FAR 52.232-26, Prompt Payment for Fixed-Price Architect-Engineer Contracts, do not specify a period for constructive approval of progress payments that exceeds 7 days.

(b) *Construction contracts.* (1) Determine on a case-by-case basis the time specified for payment of progress payments in subdivision (a)(1)(i)(A) of the clause at FAR 52.232-27, Prompt Payment for Construction Contracts. Justify in writing periods longer than 14 days. An official one level above you must approve your justification. Under no circumstances may more than 30 days be specified.

(2) Determine the time to be specified in subdivision (a)(4)(i) of FAR clause 52.232-27, for constructive acceptance or approval, on a case-by-case basis. This time may not exceed 7 days unless you justify a longer period in writing, and obtain the approval of an official one level above you. Under no circumstances may more than 30 days be specified.

(c) *Federal Supply Service.* (1) To increase efficiency and reduce costs to the Government, Federal Supply Service contracts under the Stock, Special Order, and Schedules Programs may authorize payment within 10 days of receipt of a proper invoice. The contract must meet all the following conditions:

(i) The contractor agrees to full cycle electronic commerce.

(ii) The contract includes FAR 52.232-33, Mandatory Information for Electronic Funds Transfer Payment.

(2) The 10 day payment terms apply to each order that meets all the following conditions:

(i) FSS places the order using EDI in accordance with the Trading Partner Agreement.

(ii) The contractor submits EDI invoices in accordance with the Trading Partner Agreement or invoices through the GSA Finance Center Internet-based invoice process.

(iii) A GSA Finance Center pays the invoices using EFT.

(3) The 10 day payment terms do not apply to any order:

(i) Placed by a GSA contracting activity other than FSS.

(ii) Placed by or paid by another agency.

532.905-70 Certification of payment to subcontractors and suppliers under fixed-price construction contracts.

The contractor may use GSA Form 2419, Certification of Progress Payments Under Fixed-Price Construction Contracts, for the certification required by FAR 52.232-5.

532.905-71 Final payment—construction and building service contracts.

The following procedures apply to construction and building service contracts.

(a) Do not process the final payment on construction or building service contracts until the contractor submits a properly executed GSA Form 1142, Release of Claims. If, after repeated attempts, you are unable to obtain a release of claims from the contractor, you may process the final payment with the approval of assigned legal counsel.

(b) The amount of final payment must include, as appropriate, deductions to cover any of the following:

(1) Liquidated damages for late completion.

(2) Liquidated damages for labor violations.

(3) Amounts withheld for improper payment of labor wages.

(4) The amount of unilateral change orders covering defects and omissions.

532.908 Contract clauses.

(a) *Federal Supply Service.* For FSS Stock, Special Order, and Schedules solicitations and contracts that provide payment in 10 days under 532.905(c):

(1) If the contract will include FAR 52.212-4 insert the clause at 552.232-74, Invoice Payments. GSA received a class deviation to allow use of 552.232-74 for commercial items.

(2) If the contract will not include FAR 52.212-4, insert 552.232-25, Prompt Payment, instead of FAR 552.232-25.

(b) *Leasehold Interests in Real Property.* (1) Insert 552.232-75, Prompt Payment, in solicitations and contracts for acquiring leasehold interests in real property.

(i) You may modify the date for constructive acceptance in subparagraph (b)(2) of the clause to specify a period longer than 7 calendar days (but not to exceed 30 days) if necessary because of the nature of the services to be received, inspected or accepted by the Government. Prepare a written justification for specifying the longer period and obtain your contracting director's approval.

(ii) Use Alternate I if the lease contract does not contain provisions for ordering alterations or overtime utility services.

(2) Insert 552.232-76, Electronic Funds Transfer Payment, in solicitations and contracts for acquisition of leasehold interests in real property.

(c) *Solicitations, purchase orders, contracts, and leases over the micropurchase threshold.* Insert 552.232-78, Payment information:

(1) In all solicitations, purchase orders, and contracts, including acquisitions of leasehold interests in real property.

(2) In task and delivery orders if the contract that the order is placed against does not include the clause.

[64 FR 37222, July 9, 1999, as amended at 65 FR 41379, July 5, 2000]

Subpart 532.70—Authorizing Payment by Governmentwide Commercial Purchase Card

532.7001 Definition.

Governmentwide commercial purchase card has the same meaning as in FAR 13.101.

532.7002 Solicitation requirements.

(a) In solicitations for supplies and services, except FSS schedule solicitations, request offerors to indicate if they will accept payment by Governmentwide commercial purchase card. Identify the card brand(s) under the GSA SmartPay program that may be used to make payments under the contract, on the cover page or in Section L of the solicitation.

(b) For FSS schedule contracts, identify the card brand(s) under the GSA SmartPay program that may be used to make payments under the contract in the contract award letter.

(c) For orders placed by GSA, you may authorize payment by Governmentwide commercial purchase card only for orders that do not exceed \$100,000 (see GSA Order, Guidance on Use of the Credit Card for Purchases (CFO 4200.1)).

(d) Consider requesting offerors to designate different levels for which they may accept payment by Governmentwide commercial purchase card, for example:

“If awarded a contract under this solicitation, the offeror agrees to accept payment by Governmentwide commercial purchase card for orders of:

- \$2,500 or less
- \$25,000 or less
- \$50,000 or less
- \$100,000 or less”

[65 FR 11247, Mar. 2, 2000]

532.7003 Contract clause.

(a) *Indefinite-delivery, indefinite-quantity (IDIQ) contracts other than Federal Supply Service.* Insert the clause at 552.232-77, Payment by Governmentwide Commercial Purchase Card, in IDIQ solicitations and contracts for supplies and services if the contract will provide for payment by Governmentwide commercial purchase card as

an alternative method of payment for orders.

(b) *Federal Supply Service contracts.* Use Alternate I of the clause at 552.232-77 for all FSS schedule solicitations and contracts, except Federal Supply Schedule 70, Information Technology, and the Consolidated Products and Services Schedule contracts containing Information Technology Special Item Numbers.

(c) *Federal Supply Service schedule contracts for information technology Special Item Numbers.* In solicitations and contracts for FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers, use 552.232-79 instead of 552.232-77.

[65 FR 11247, Mar. 2, 2000, as amended at 68 FR 24378, May 7, 2003; 69 FR 28065, May 18, 2004]

Subpart 532.71—Payments for Recurring Services

532.7101 Definitions.

Fixed roll payment means automatic payment of fixed amounts at regular intervals without submission of an invoice or receiving report.

532.7102 Applicability.

You may use fixed roll payments in any contract that meets all four of the following conditions:

(a) The contract provides for recurring services at a constant level for a period of at least two months.

(b) The contract does not contain any discount items.

(c) Payment is due 30 days following completion of the service month.

(d) For a commercial item acquisition, fixed roll payments are consistent with customary commercial practice.

532.7104 Contract clauses.

(a) *Noncommercial item acquisitions.* For solicitations and contracts to be paid by fixed roll payment, include the clause at 552.232-1, Payments. Do not include the clauses at FAR 52.232-1, Payments, or 552.232-70, Invoice Requirements.

(b) *Commercial item acquisitions.* For solicitations and contracts to be paid by fixed roll payment, tailor the clause

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at FAR 52.212–4 by an addendum as noted in paragraphs (b) (1) and (2) of this section. This tailoring is authorized by a deviation approved on January 5, 1999.

(1) Delete paragraph FAR 52.212–4(g), Invoice.

(2) Add the following to paragraph FAR 52.212–4(i), Payment:

The Government shall pay the Contractor, without submission of invoices or vouchers, 30 days after the service period, the prices stipulated in this contract for services rendered and accepted, less any deductions provided in this contract.

**PART 533—PROTESTS, DISPUTES,
AND APPEALS**

Subpart 533.1—Protests

Sec.

533.103 Protests to the agency.

533.103–72 Solicitation provisions.

Subpart 533.2—Disputes and Appeals

533.211 Contracting officer's decision.

533.215 Contract clause.

AUTHORITY: 40 U.S.C. 486(c).

SOURCE: 64 FR 37224, July 9, 1999, unless otherwise noted.

Subpart 533.1—Protests

533.103 Protests to the agency.

533.103–72 Solicitation provisions.

Include the provision at 552.233–70, Protests Filed Directly With the Gen-

eral Services Administration, in each solicitation for either:

(a) Supplies, services, construction, or architect-engineer services expected to exceed the simplified acquisition threshold.

(b) Acquisition of leasehold interests in real property expected to exceed the simplified lease acquisition threshold.

**Subpart 533.2—Disputes and
Appeals**

533.211 Contracting officer's decision.

In addition to the information in FAR 33.211(a)(4)(v), advise the contractor in your written decision that a notice of appeal must:

(a) Describe the nature of the dispute and the relief sought, the contract provisions involved, and any other additional information or comments relating to the dispute considered important.

(b) Be signed personally by the appellant (the prime contractor making the appeal) or by an officer of the appellant corporation, or member of the appellant firm, or by the contractor's duly authorized representative or attorney.

533.215 Contract clause.

Insert the clause at 552.233–71, Disputes (Utility Contracts), in solicitations and contracts for utility services subject to the jurisdiction and regulation of a utility rate commission.

[70 FR 299, Jan. 4, 2005]